JOPLIN, MO … AFTER THE STORM

“THE BEST WAY TO PREDICT THE FUTURE IS TO CREATE IT!”

NAIOP 2013 TRENDS CONFERENCE
October 24, 2013
BACKGROUND

- WALLACE BAJJALI
  - Leadership has 100+ years aggregate experience, $3+ billion in Public Sector PPP projects
  - Four Public/Private Partnerships
    - Pearland, TX over $20 million completed in phase I; Over $20 million contemplated in Phase II
    - Waco, TX over $80 million completed redevelopment projects
    - Amarillo, TX $113 million in Phase I downtown redevelopment projects; Over $150 million in Phase II contemplated expansion
    - Joplin, MO Master Developer for rebuilding and redeveloping Joplin after the devastating tornado of May, 2011; approximately $1.9 billion of projects identified; approximately $800 million in Phase I initiated
Sugar Land, Texas
Pearland, Texas
Waco Town Square
Amarillo, TX
Joplin, MO
WHAT CAN A PPP IN A PLANNED, FOCUSED AND COORDINATED DEVELOPMENT PROGRAM ACCOMPLISH?
Benefits for residents and property owners

Sugar Land Property Tax Rate FY 1990 – 2010

<table>
<thead>
<tr>
<th>Tax Rate</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.28</td>
<td>1990</td>
</tr>
<tr>
<td>$0.33</td>
<td>1991</td>
</tr>
<tr>
<td>$0.38</td>
<td>1992</td>
</tr>
<tr>
<td>$0.43</td>
<td>1993</td>
</tr>
<tr>
<td>$0.48</td>
<td>1994</td>
</tr>
<tr>
<td>$0.53</td>
<td>1995</td>
</tr>
</tbody>
</table>
Benefits for the City

Sugar Land Growth in Assessed Value by Year

- 1999: 4.5
- 2000: 4.8
- 2001: 5.2
- 2002: 5.4
- 2003: 5.7
- 2004: 5.9
- 2005: 6.2
- 2006: 7.1
- 2007: 7.7
- 2008: 8.7
- 2009: 9.2
Benefits for the region and state


*Since inception of Economic Development Department.*

Source: Texas Workforce Commission, 2010
May 22, 2011

- First visit to Joplin in July 2011
- Currently working in two communities affected by tornadoes, Waco and Amarillo
- Waco and Amarillo locations were undeveloped following their respective tornadoes (Waco 50 years)
- Multiple return visits to Joplin prior to formation of Citizens Advisory Recovery Team
CART – Listening to Joplin

• Input from citizens of Joplin
• CART recommends the city of Joplin hire a Master Developer
The Plan

• Utilize a “Master Developer” to build upon the organic redevelopment by coordinating the redevelopment of specific areas the community all the while addressing other needs as identified from public input for the betterment of the entire community.

• August 20, 2012 – City of Joplin signs Land Assemblage Agreement with Wallace Bajjali Development Partners
Challenges

• Where will people live?
• Where will people work?
• How can we encourage future growth of the community?
• How can we create a framework for the rebirth of Joplin?
• How will the future Joplin work, look and feel?
• How do we remember and honor those lost?
• How can we make Joplin better than it was?
• How do we capture and incorporate community needs, wants and desires?
• How do we involve the community throughout the process in a very transparent manner?
Approach & Philosophy - Vision

Utilize a public private partnership to redevelop areas impacted by the storm in such a manner as to honor the community loss while creating additional amenities and a catalyst for additional development and economic benefit to Joplin and the larger community.
Decision Factors on projects

• To recommend City proceeding with any project, we need to...
  – Demonstrate market viability;
  – Insure that the direct and indirect benefits to community MUST exceed the cost of City financial participation; and
  – Determine that each project is consistent with the goals for redevelopment.

• Rising tide lifts all boats / the whole is much greater than the sum of the parts
Joplin Redevelopment Corporation
Land Acquisition

Serve as the vehicle to acquire land to consolidate tracts for development and coordinate development. To sell land at or below market rate or where appropriate contribute land to specific programs/projects which have been identified in the City’s redevelopment efforts. To act as a revolving funding tool to facilitate the achievement of economic development initiatives.

– JRC has 7 members, volunteering their time for redevelopment
– JRC currently owns over 50 acres of land for redevelopment
20th and Connecticut
Library Movie Theater & Mixed Use Development

- Western Anchor - Library/Movie Theater Complex (utilizing $20MM EDA Grant plus $5 million of TIF Bonds)
- 66-Loft Residential over 100,000 Retail
- Eastern Anchor – 66,000 sq. ft. Grocery Store
Senior Housing
26th and McClelland
Independent/Assisted/Memory Care Living

- Certificate of Need (CON) granted on September 9th, 2013
- All land has been acquired by JRC
- Projected to begin after design work Q1 2014
Joplin Senior Transitional Housing
Phase I Site Plan
Joplin Senior Transitional Housing
Phase II Site Plan
26th and Main Mixed-Use Development

- Property has been acquired by JRC
- Architectural design for parcel is complete
- Negotiations ongoing with anchor tenant of major grocery chain leasing approximately 14,000 Sq. Ft.
- Remaining 6,000 Sq. Ft. of retail for lifestyle retailers
- Site will include 10 residential loft units
Mercy Hospital Site
26th and McClelland

- MOU between Mercy and Wallace Bajjali
- 13 acres on their former campus
- Community input will decide look and use of project
- Mixed Use Public/Private Community Asset
- Project presentation to Mercy 1st week of December
- Decision by first week of January 2014
Additional Projects for Redevelopment

- SPARK
- Downtown Educational Complex
- Medical Office Building
- Consolidated Government
- Multi-family Residential
Master Developer
1st Year Milestones

• August 20, 2012 - City Council Approves Land Assemblage Agreement
• September 1, 2012 – Wallace Bajjali hires local staff, opens office in Joplin
• October 11, 2012 – JRC unanimous approval of business plan, financial models, policies and procedures, transaction flow chart, communications plan
• December 14, 2012 - TIF Commission Approval
• December 28, 2012 – City Council approves TIF
• March 11, 2013 – First parcels of land purchased by JRC, future site of senior housing
• April 12, 2013 – Wallace Bajjali along with Stifel Nicholas, PGAV and Dentons participate in the Habitat for Humanity Governors Challenge landscaping 5 homes in the Joplin tornado zone
Master Developer
1st Year Milestones

• May 13, 2013 - Wallace Bajjali announces co-development partner for senior transitional housing, O’Reilly Development Company, LLC
• May 22, 2013 – EDA awards $20 million grant to fund library/movie theater project
• July 5, 2013 – Governor Nixon signs $14 million grant to Joplin
• July 25, 2013 - $18 million in TIF Bonds deposited in City account
• August 1, 2013 MOU signed with Mercy for Mixed Used Community Asset
• August 6, 2013 - JRC directs application for DALA
• August 20, 2013 – approximately 65 parcels, 56 acres of land acquired/leased by City
• September 9, 2013 – CON granted for Senior Housing
Project Timeline

Joplin Redevelopment
Project Development
5 Year Projection*

Year 1 2013
- Secure Funding
  - TIF
  - EDA Grant
  - CDGs
  - MDRB Bonds
  - Co-Development Partners
  - DHA Tax Credits
  - Local Loan Consortium
- Land Assemblage
  - 20th and Main Mixed Use
  - Senior Housing
  - Multi-family
  - Consolidated Government
- Predevelopment
  - Senior Housing
  - 20th and Main Mixed Use
  - 20th and CT - Mixed Use
  - 20th and CT - Library/Theater

Year 2 2014
- Construction begins
  - Senior Housing
  - 20th and Main Mixed Use
  - 20th and CT - Mixed Use
  - 20th and CT - Library/Theater
- Land Assemblage
  - Downtown Education Complex
  - Hotel Convention Center
  - MPEV
- Predevelopment
  - Multi-family
  - Consolidated Government
  - SPARK

Year 3 2015
- Grand Opening
  - Senior Housing
  - 20th and Main Mixed Use
  - 20th and CT - Mixed Use
  - 20th and CT - Library/Theater
- Construction begins
  - Multi-family
  - Consolidated Government
  - SPARK

Year 4 2016
- Grand Opening
  - Multi-family
  - Consolidated Government
  - SPARK
- Construction Begins
  - Downtown Education Complex
  - Hotel Convention Center
  - MPEV

Year 5 2017
- Grand Opening
  - Downtown Education Complex
  - Hotel Convention Center
  - MPEV

*Dates are best estimates and subject to market conditions.
All projects pending approval by Joplin City Council and Joplin Redevelopment Corporation.
Contact us

• Offices located in the Gryphon building 1027 S. Main Suite 350
• Redevelopment updates on City of Joplin website joplinmo.org